|  | With Historic Credit |  |  |  |
| :--- | :---: | :---: | :---: | :---: |
| Calculation of LIHTC and Equity Investment | THPF scenario | Actual credit <br> rates | Difference | THPF scenario |
| Use Historic Credit? | Yes | Yes |  | No |
| Rehab credit rate | $9.00 \%$ | $7.44 \%$ |  | $9.00 \%$ |
| Acquisition credit rate | $4.00 \%$ | $3.19 \%$ |  | $4.00 \%$ |
| Rehab basis | $1,310,425$ | $1,310,425$ |  | $1,310,425$ |
| Less historic tax credit | 0 | $-252,085$ |  | 0 |
| Eligible rehab basis | $1,310,425$ | $1,058,340$ |  | $1,310,425$ |
| Rehab basis after 130\% boost | $1,310,425$ | $1,375,842$ |  | $1,703,553$ |
| Acquisition basis | 685,000 | 342,500 |  | 685,000 |
| Annual rehab credit | 117,938 | 102,363 | $(15,576)$ | 153,320 |
| Annual acquisition credit | 27,400 | 10,926 | $(16,474)$ | 27,400 |
| Total annual credit | 145,338 | 113,288 | $(32,050)$ | 180,720 |
| Total credits over ten years | $1,453,383$ | $1,132,884$ | $(320,499)$ | $1,807,197$ |
| Investor ownership | $100,00 \%$ | $99.99 \%$ |  | $100,00 \%$ |
| Price per \$1.00 of LIHTC | $\$ 0.85$ | $\$ 0.90$ |  | $\$ 0.85$ |
| LIHTC equity | $1,235,375$ | $1,019,494$ | $(215,882)$ | $1,536,118$ |
| Historic equity at \$.90/\$1.00 of credit | 0 | 226,854 |  | 0 |
| Total equity | $1,235,375$ | $1,246,347$ | 10,972 | $1,536,118$ |


| Rents and Net Operating Income | Target AMI | Units | Max gross rent | Utility <br> allowance |
| :--- | :---: | :---: | :---: | :---: |
| Studio | $40 \%$ | 3 | 413 | 103 |
|  | $50 \%$ | 3 | 516 | 103 |
|  | $60 \%$ | 1 | 620 | 103 |
| One Bedroom | $40 \%$ | 4 | 443 | 126 |
|  | $50 \%$ | 6 | 553 | 126 |
|  | $60 \%$ | 2 | 664 | 126 |
| Total units/gross rent |  | 19 |  |  |

Vacancy and economic loss allowance (5\% for analysis, 4\% for THPF scenario)
Net rental income
Operating cost (at ADOH minimum of \$3680 (adjusted for water/sewer/trash) for analysis, \$3069 for THPF)
Replacement reserve at ADOH minimum of $\$ 350$ per unit
Net operating income
Weighted average studio rent
Weighted average 1-bedroom rent
409

| Operating Expense Projection | Total | Per unit |
| :--- | :---: | :---: |
| Property management salary | 30,255 | 1,592 |
| Bad debt - INCLUDED IN VACANCY | 0 | 0 |
| Repairs \& maintenance | 1,068 | 56 |
| Taxes | 20,000 | 1,053 |
| Insurance | 3,000 | 158 |


| Administration | 3,990 | 210 |
| :--- | :---: | :---: |
| Total operating expense | 58,313 | 3,069 |
|  |  |  |
| ADOH minimim operating expense analysis |  |  |
| ADOH minimum op exp (unadjusted) | 85,500 | 4,500 |
| Water/sewer/trash | 15,576 | 820 |
| Adjusted ADOH minimum op exp | 69,924 | 3,680 |


| Total units | 19 | 50 |
| :--- | :---: | :---: |
| Vacant unit | 1 | 1 |
| Vacancy rate | $5 \%$ | $2 \%$ |


| Without Historic Credit |
| :--- |
| Actual credit <br> rates Difference <br> No  <br> $7.44 \%$  <br> $3.19 \%$  <br> $1,310,425$  <br> 0  <br> $1,310,425$  <br> $1,703,553$  <br> 342,500 $(26,575)$ <br> 126,744 $(43,050)$ <br> 10,926 $(430,497)$ <br> 137,670  <br> $1,376,701$ $(297,211)$ <br> $99.99 \%$  <br> $\$ 0.90$ $(297,211)$ <br> $1,238,907$  <br> 0  |
| $1,238,907$ |


| Max net rent | Annual max net <br> rent | THPF <br> Scenario |
| :---: | :---: | :---: |
| 310 | 11,160 | 14,544 |
| 413 | 14,868 | 14,544 |
| 517 | 6,204 | 4,848 |
| 317 | 15,216 | 24,336 |
| 427 | 30,744 | 36,504 |
| 538 | 12,912 | 12,168 |
|  | $\mathbf{7 8 , 1 9 2}$ | $\mathbf{1 0 6 , 9 4 4}$ |
|  | $-3,910$ | $-4,278$ |
|  | 74,282 | 102,666 |
|  | $-69,924$ | $-58,311$ |
|  | $-6,650$ | 0 |
|  | $\mathbf{- 2 , 2 9 2}$ | $\mathbf{4 4 , 3 5 5}$ |

